

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02860A
Naco Water Company, L.L.C.
PO Box 85160
Tucson, AZ 85754

5/11/2010
APR 30 2010
11:00 AM
TUCSON, AZ

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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4-5-10

COMPANY INFORMATION

Company Name (Business Name) Naco Water Company, LLC		
Mailing Address P.O. Box 85160		
(Street)		
Tucson	AZ	85754
(City)	(State)	(Zip)
520-623-5172	520-792-0377	
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		
Local Office Mailing Address same as above		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		

MANAGEMENT INFORMATION

Management Contact: Southwestern Utility Management, Inc.			
(Name)		(Title)	
P.O. Box 85160	Tucson	AZ	85754
(Street)	(City)	(State)	(Zip)
520-623-5172	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
On Site Manager: Matthew England			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-623-5172	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			

☐ Please mark this box if the above address(es) have changes or are updated since the last filing.

Statutory Agent Martin F. Ryan			
(Name)			
6262 N. Swan Rd., Suite 290	Tucson	AZ	85718
(Street)	(City)	(State)	(Zip)
520-299-8117	529-299-7860		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: Same as above			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changes or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to you company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-Op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-Op (A)
<input type="checkbox"/> Receivership (R)	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

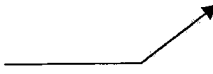
Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input checked="" type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization	198	N/A	198
302	Franchises			
303	Land and Land Rights	4345	N/A	4345
304	Structures and Improvements	5918	2287	3631
307	Wells and Springs	95404	36413	58991
311	Pumping Equipment	188060	96090	91970
320	Water Treatment Equipment	1971	909	1062
330	Distribution Reservoirs and Standpipes	139016	54188	84828
331	Transmission and Distribution Mains	871378	180654	690724
333	Services	138166	21316	116850
334	Meters and Meter Installations	44352	21664	22688
335	Hydrants	34717	11899	22818
36	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	9202	9091	111
341	Transportation Equipment	20298	1979	18319
343	Tools, Shop and Garage Equipment	140	67	73
344	Laboratory Equipment			
345	Power Operated Equipment	2818	2818	---
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1555983	439375	1116608

This amount goes on the Balance Sheet Acct. No. 108



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)*
301	Organization	198	---	---
302	Franchises			
303	Land and Land Rights	4345	---	--
304	Structures and Improvements	5918	3.33	125
307	Wells and Springs	95404	3.33	2034
311	Pumping Equipment	188060	12.50	13139
320	Water Treatment Equipment	1971	3.33	37
330	Distribution Reservoirs and Standpipes	139016	2.22	1928
331	Transmission and Distribution Mains	871378	2.00	14096
333	Services	138166	3.33	4029
334	Meters and Meter Installations	44352	8.33	2062
335	Hydrants	34717	2.00	466
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	9202	6.67	8
341	Transportation Equipment	20298	5.00	964
343	Tools, Shop and Garage Equipment	140	5.00	3
344	Laboratory Equipment			
345	Power Operated Equipment	2818	5.00	---
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1555983		38891

This amount goes on Comparative statement of Income and Expense
Acct. No. 403.

Less: Amortization of Contributions in Aid of Construction

(1145)
\$ 37746

Depreciation for 2009 is calculated on O.C.L.D.

See Accountants' Report.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 36004	\$ 12134
134	Working Funds	131065	152350
135	Temporary Cash Investments		
141	Customer Accounts Receivable	66533	82831
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 233602	\$ 247315
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1106168	\$ 1555983
103	Property Held for Future Use	687741	690155
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(400484)	(439375)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 1393425	\$ 1806763
	TOTAL ASSETS	\$ 1627027	\$ 2054078

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 96249	\$ 84780
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	14777	15955
236	Accrued Taxes	528	1187
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	17000	19882
	TOTAL CURRENT LIABILITIES	\$ 128554	\$ 121804
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 1098358	\$ 1449504
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	2500	2500
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	36833	40133
272	Less: Amortization of Contributions	(17232)	(18377)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 22101	\$ 24256
	TOTAL LIABILITIES	\$ 1249013	\$ 1595564
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	378014	458514
	TOTAL CAPITAL	\$ 378014	\$ 458514
	TOTAL LIABILITIES AND CAPITAL	\$ 1627027	\$ 2054078

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 272544	\$ 307945
460	Unmetered Water Revenue		
474	Other Water Revenue	630	1140
	TOTAL REVENUES	\$ 273174	\$ 309085
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 20114	\$ 18334
610	Purchased Water		
615	Purchased Power	11039	11198
618	Chemicals	2107	1500
620	Repairs and Maintenance	12545	2853
621	Office Supplies and Expense	4643	7163
630	Outside Services	95440	79791
635	Water Testing	3066	3470
641	Rents	2200	2400
650	Transportation Expense	14235	10857
657	Insurance – General Liability	6798	5004
659	Insurance – Health and Life	1757	949
666	Regulatory Commission Expense – Rate Case	---	
675	Miscellaneous Expense	14273	348
403	Depreciation Expense	25629	37746
408	Taxes Other Than Income	2271	2704
408.11	Property Taxes	9986	10503
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 226103	\$ 194820
	OPERATING INCOME/(LOSS)	\$ 47071	\$ 114265
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 872	\$ 27
421	Non-Utility Income	131245	2662
426	Miscellaneous Non-Utility Income		
427	Interest Expense	(3301)	(36454)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 128816	\$ (33765)
	NET INCOME/(LOSS)	\$ 175887	\$ 80500

Non-Utility Income—Previous Year

Payment from Freeport McMoRan Corporation

Late Payment Fees

Sales Tax Credits

128647

2445

153

131245

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End	\$ 5466.35
Meter Deposits Refunded During the Test Year	\$ 977.65

COMPANY NAME Naco Water Company LLC	
Name of System: Bisbee Junction	ADEQ Public Water System Number: 02-112

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-551849	15	85	450	8	4	1995

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1	2,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME Naco Water Company LLC

Name of System: Naco - Town

ADEQ Public Water System Number: 02-024

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-575700	15	182	410	10	4	1999
55-562944	10	80	312	8	3	1997

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	18	
15	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1	2,000	1
50,000	1	5,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME Naco Water Company LLC

Name of System: Naco - Highway

ADEQ Public Water System Number: 02-133

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-203321	5	35	312	6	2	2004

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
7,500	1	750	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Naco Water Company LLC

Name of System: Bisbee Junction

ADEQ Public Water System Number: 02-112

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC/Steel	10680
3	ABS	
4	PVC/ABS	9,825
5		
6		
8		
10		
12		
2 ½	PVC	1,100
1	PVC/Steel	6,180
1 ½	PVC	3,000

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	72
3/4	
1	1
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

1 Chlorinator

STRUCTURES:

250' - fence

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Naco Water Company LLC

Name of System: Naco Water Township

ADEQ Public Water System Number: 02-024

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	PVC	13,240
8		
10		
12		
2 ½		
1		
1 ½		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	273
3/4	
1	5
1 1/2	1
2	9
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

2 Chlorinators

STRUCTURES:

600' - fence

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Naco Water Company LLC

Name of System: Naco Highway

ADEQ Public Water System Number: 02-133

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC/Steel	790
3	ABS	1,170
4	PVC/ABS	
5		
6		
8		
10		
12		
2 ½	PVC	
1	PVC/Steel	
1 ½	PVC	

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	11
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

1 Chlorinator

STRUCTURES:

250' - fence

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Naco Water Company LLC

Name of System: Bisbee Junction

ADEQ Public Water System Number: 02-112

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	57	226	284	0
FEBRUARY	60	209	268	0
MARCH	60	271	316	0
APRIL	58	246	319	0
MAY	59	292	336	0
JUNE	57	398	466	0
JULY	59	353	339	0
AUGUST	59	332	372	0
SEPTEMBER	59	389	280	0
OCTOBER	60	235	282	0
NOVEMBER	58	335	405	0
DECEMBER	59	168	242	0
TOTALS →		3453	3906	0

What is the level of arsenic for each well on your system? _____ mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

(☒) Yes (☐) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(☐) Yes (☒) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

(☐) Yes (☒) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system. See Accountant's Compilation Report

COMPANY NAME: <u>Naco Water Company LLC</u>	
Name of System: <u>Naco Water Township</u>	ADEQ Public Water System Number: <u>02-024</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	259	1461	1909	0
FEBRUARY	256	1400	1854	0
MARCH	260	1780	2245	0
APRIL	263	1661	2142	0
MAY	262	1677	2073	0
JUNE	260	2228	2478	0
JULY	253	1677	2132	0
AUGUST	255	2194	2629	0
SEPTEMBER	258	1430	1721	0
OCTOBER	257	1435	1541	0
NOVEMBER	258	1541	1779	0
DECEMBER	260	1299	1495	0
TOTALS →		19783	23999	0

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ (X) Yes ☐ () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ () Yes ☒ (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ () Yes ☒ (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system. See Accountant's Compilation Report

Name of System: Naco Highway

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

What is the level of arsenic for each well on your system? N/A mg/l
(If more than one well, please list each separately.)

If system has chlorination treatment, does this treatment system chlorinate continuously?
 (X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

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COMPANY NAME: <u>Naco Water Company LLC</u>		
Name of System: Bisbee Junction	ADEQ Public Water System Number: 02-112	

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	3	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	3	0

OTHER (description):

COMPANY NAME: <u>Naco Water Company LLC</u>	
Name of System: Naco Water Township	ADEQ Public Water System Number: 02-024

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	19	0
APRIL	0	0	0
MAY	0	30	0
JUNE	0	15	0
JULY	0	0	0
AUGUST	0	24	0
SEPTEMBER	0	0	0
OCTOBER	0	25	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	113	0

OTHER (description):

COMPANY NAME: <u>Naco Water Company LLC</u>		
Name of System:	Naco Highway	ADEQ Public Water System Number: 02-133

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

See Accountant's Compilation Report

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2009 was \$ 10503.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property tax paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY OF (COUNTY NAME)) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Naco Water Company, LLC	

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2009
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL

520-1023-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME EILEEN P DELANEY
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

COUNTY NAME	PIMA
MONTH	March 2010



Eileen P. Delaney
NOTARY PUBLIC - ARIZONA
PIMA COUNTY
My Commission Expires
May 14, 2012


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES May 14, 2012

See Accountants' Report.

INCOME TAXES

For this reporting period, please provide the following:

Federal Taxable Income Reported	<u>LLC</u>
Estimated or Actual Federal Tax Liability	<u></u>
State Taxable Income Reported	<u>LLC</u>
Estimated or Actual State Tax Liability	<u></u>
Amount of Grossed-Up Contributions/Advances:	
Amount of Contributions/Advances	<u></u>
Amount of Gross-Up Tax Collected	<u></u>
Total Grossed-Up Contributions/Advances	<u></u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE3/31/10

DATEBonnie O'Connor

PRINTED NAMEManager

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 334982.00

(THE AMOUNT IN THE BOX ABOVE
INCLUDES \$ 25897.43
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL

520-1623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME EILEEN P DELANEY

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

(SEAL)

MY COMMISSION EXPIRES

See Accountant's Report.



Eileen P. Delaney
NOTARY PUBLIC - ARIZONA
PIMA COUNTY
My Commission Expires
May 14, 2012

COUNTY NAME <u>PIMA</u>	
MONTH	<u>2010</u>


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Naco Water Company, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 285130.14

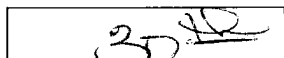
(THE AMOUNT IN BOX AT LEFT
INCLUDES **\$ 17633.23**
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

520-6023-5172
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS**

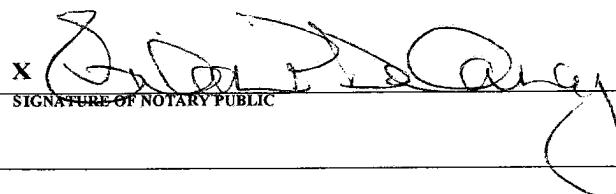
 DAY
OF

(SEAL)

MY COMMISSION EXPIRES

Eileen P. Delaney
NOTARY PUBLIC - ARIZONA
PIMA COUNTY
My Commission Expires
May 14, 2012

NOTARY PUBLIC NAME EILEEN P. DELANEY	
COUNTY NAME PIMA	
MONTH MARCH	2010

X 
SIGNATURE OF NOTARY PUBLIC

See Accountants' Report

2009 PROPERTY TAX NOTICE

Cochise County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2009 TAX SUMMARY	
918-00-200 7	0200	7.6614	1.6477		PRIMARY PROPERTY TAX	479.38
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
LIMITED LAND, BLDGS, ETC.	363	22.0	80	0	NET PRIMARY PROPERTY TAX	479.38
LIMITED PERSONAL PROPERTY	28,078	22.0	6,177	0	SECONDARY PROPERTY TAX	87.06
LIMITED TOTALS	28,441		6,257	0	SPECIAL DISTRICT TAX	0.00
FULL CASH LAND	0	22.0	0	0	TOTAL TAX DUE FOR 2009	566.44
FULL CASH BUILDINGS, ETC.	363	22.0	80	0		
FULL CASH PERSONAL PROPERTY	28,078	22.0	6,177	0		
FULL CASH TOTALS	28,441		6,257	0		

ACREAGE: .00

JURISDICTION

2008 TAXES

2009 TAXES

0121847

SITUS ADDRESS:
NULLLEGAL DESCRIPTION:
TOTAL VALUE OF OPERATING PROPERTY

02000 COCHISE COUNTY	139.96	165.35
02001 STATE SCHOOL TAX EQU	0.00	20.68
07002 BISBEE SD #2	289.80	265.07
08150 COCHISE COUNTY JUNIO	86.84	100.59
11900 FIRE DISTRICT ASSIST	4.22	5.46
14900 COCHISE COUNTY LIBRA	7.59	9.08
15000 COCHISE COUNTY FCD #	0.17	0.21

This is the only notice you will receive.

Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

THIS IS A
CALENDAR YEAR
TAX NOTICE

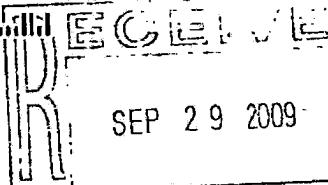
TOTALS 528.58 566.44

918-00-200 7

0055205 02 AT 0.482 **AUTO H6 1 0786 85754-516060

PAGE 0001 OF 0004 00064960

NACO WATER CO
C/O BONNIE O'CONNOR
P.O. BOX 85160
TUCSON AZ 85754-5160



PAYMENT INSTRUCTIONS

To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than Nov. 2, 2009. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 3, 2010. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2009 and no interest will be charged for current year.

Make your check payable to and mail to:
Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK.

NACO WATER COMPANY, LLC

1275

Marsha Bonham, Cochise County Treasurer

Date Type Reference
1/18/2010 Bill 918-00-200-7 2nd

Original Amt.
283.22

Balance Due 283.22
Check Amount

3/2/2010

Payment
283.22
283.22

Wells Fargo Bank

Second Half Property Tax 2009

283.22

2009 PROPERTY TAX NOTICE

Cochise County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2009 TAX SUMMARY	
918-02-373 2	2373	9.6735	3.8826		PRIMARY PROPERTY TAX	3,626.40
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
LIMITED LAND, BLDGS, ETC	1,732	22.0	381	0	9.6735	36.85
LIMITED PERSONAL PROPERTY	168,669	22.0	37,107	0	9.6735	3,589.55
LIMITED TOTALS	170,401		37,488	0		3,626.40
FULL CASH LAND	980	22.0	216	0	3.8826	8.39
FULL CASH BUILDINGS, ETC	752	22.0	165	0	3.8826	8.41
FULL CASH PERSONAL PROPERTY	168,669	22.0	37,107	0	3.0051	1,115.10
FULL CASH TOTALS	170,401		37,488	0		1,129.90
ACREAGE: .18					TOTAL TAX DUE FOR 2009	4,756.30

0121850		JURISDICTION	2008 TAXES	2009 TAXES
SITUS ADDRESS:		02000 COCHISE COUNTY	835.98	990.62
NULL		02001 STATE SCHOOL TAX EQU	0.00	123.94
LEGAL DESCRIPTION:		05023 NACO SD #23	1,577.17	1,909.22
TOTAL VALUE OF OPERATING PROPERTY		08150 COCHISE COUNTY JUNIO	518.73	602.62
102-57-107 500 102-57-		11203 NACO FD	722.60	967.13
194-B 480		11900 FIRE DISTRICT ASSIST	25.24	32.72
		12006 NACO SLID	29.37	72.32
		14900 COCHISE COUNTY LIBRA	45.33	54.39
		15000 COCHISE COUNTY FCD #	0.94	0.99
		21301 NACO SANITARY DISTRI	1.74	2.35

This is the only notice you will receive.

Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

**THIS IS A
CALENDAR YEAR
TAX NOTICE**

TOTALS 3,757.10 4,756.30

918-02-373 2

0055205 02 AT 0.482 **AUTO H6 1 0786 85754-516060

PAGE 0004 OF 0004 00064963

NACO WATER CO
C/O BONNIE O'CONNOR
P.O. BOX 85160
TUCSON AZ 85754-5160

SEP 29 2009

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK.

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PAYMENT INSTRUCTIONS

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Make your check payable to and mail to:
Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

100609
over

NACO WATER COMPANY, LLC

1276

Marsha Bonham, Cochise County Treasurer

Date Type Reference
1/18/2010 Bill 918-02-373 2 2nd

Original Amt.
2,378.15

3/2/2010
Balance Due Discount
2,378.15
Check Amount

Payment
2,378.15
2,378.15

Wells Fargo Bank

Second Half Property Tax 2009

2,378.15

2009 PROPERTY TAX NOTICE

Cochise County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2009 TAX SUMMARY	
918-00-271 3	0271	7.6614	4.2275		PRIMARY PROPERTY TAX	3,493.98
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
LIMITED LAND, BLDGS, ETC.	363	22.0	80	0	7.6614	6.13
LIMITED PERSONAL PROPERTY	206,934	22.0	45,525	0	7.6614	3,487.85
LIMITED TOTALS	207,297		45,605	0		3,493.98
FULL CASH LAND	0	22.0	0	0	4.2275	0.00
FULL CASH BUILDINGS, ETC.	363	22.0	80	0	4.2275	3.40
FULL CASH PERSONAL PROPERTY	206,934	22.0	45,525	0	3.9678	1,808.34
FULL CASH TOTALS	207,297		45,605	0		1,809.74
ACREAGE: .00					TOTAL TAX DUE FOR 2009	5,303.72

0121848

SITUS ADDRESS:
NULL

LEGAL DESCRIPTION:
TOTAL VALUE OF OPERATING PROPERTY

JURISDICTION	2008 TAXES	2009 TAXES
02000 COCHISE COUNTY	1,016.30	1,205.12
02001 STATE SCHOOL TAX EQU	0.00	150.77
07002 BISBEE SD #2	2,104.42	1,932.02
08150 COCHISE COUNTY JUNIO	630.62	733.10
11203 NACO FD	878.48	1,176.51
11900 FIRE DISTRICT ASSIST	30.68	39.81
14900 COCHISE COUNTY LIBRA	55.11	66.18
15000 COCHISE COUNTY FCD #	0.17	0.21

This is the only notice you will receive.

Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

**THIS IS A
CALENDAR YEAR
TAX NOTICE**

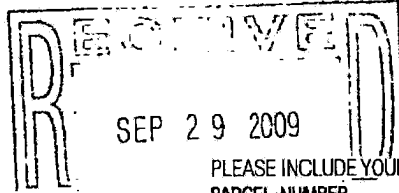
TOTALS 4,715.78 5,303.72

918-00-271 3

0055205 02 AT 0.482 **AUTO H6 1 0786 85754-516060

PAGE 0002 OF 0004 .00064961

NACO WATER CO
C/O BONNIE O'CONNOR
P.O. BOX 85160
TUCSON AZ 85754-5160



THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

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PARCEL-NUMBER
ON YOUR CHECK.

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Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

10000 only

NACO WATER COMPANY, LLC

1274

Marsha Bonham, Cochise County Treasurer

Date Type Reference
1/18/2010 Bill 918-00-271-3 2nd

Original Amt.
2,651.86

3/2/2010
Balance Due Discount
2,651.86
Check Amount

Payment
2,651.86
2,651.86

Wells Fargo Bank

Second Half Property Tax 2009

2,651.86

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ON YOUR CHECK.

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Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

NACO WATER CO
SALIM S DOMINGUEZ JR
P.O. BOX 85160
TUCSON AZ 85754-5160

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PAYMENT INSTRUCTIONS

PAGE 0002 OF 0004 00084662



SEP 29 2008 TOTALS

PAID
10/2/08
800210130
1ST half

SEP 26 2008

THIS IS A
CALENDAR YEAR
TAX NOTICE

Bisbee AZ 85603-2778
PO Box 1778
Cochise County Treasurer
Marsha Bonham

02000 COCHISE COUNTY	1,102.87	1,016.30
07002 BISBEE SD #2	2,596.35	2,104.42
08150 COCHISE COUNTY JUNIO	670.88	630.62
11203 NACO PD	917.10	878.48
11900 FIRE DISTRICT ASSIST	33.37	30.68
14900 COCHISE COUNTY LIBRA	55.85	55.11
15000 COCHISE COUNTY FCD #	0.18	0.17
TAXES	5,376.60	4,715.78



2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
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2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
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630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
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0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
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2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
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30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
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2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
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878.48	917.10	11203 NACO PD	878.48	917.10
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55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
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630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
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30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
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2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
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630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
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878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
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0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008	2007	JURISDICTION	2008	2007
1,016.30	1,102.87	02000 COCHISE COUNTY	1,016.30	1,102.87
2,104.42	2,596.35	07002 BISBEE SD #2	2,104.42	2,596.35
630.62	670.88	08150 COCHISE COUNTY JUNIO	630.62	670.88
878.48	917.10	11203 NACO PD	878.48	917.10
30.68	33.37	11900 FIRE DISTRICT ASSIST	30.68	33.37
55.11	55.85	14900 COCHISE COUNTY LIBRA	55.11	55.85
0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

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TOTAL TAXES	5,376.60		4,715.78	

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0.17	0.18	15000 COCHISE COUNTY FCD #	0.17	0.18
TOTAL TAXES	5,376.60		4,715.78	

2008 SECOND HALF PAYMENT COUPON

Due March 1, 2009

NACO WATER CO

Parcel Number: 918-00-271 3 Roll Number: 0121235

Delinquency Date Second Half Payment

Penalty for late payment is 16% per year
prorated monthly as of the 1st day of the
month for payments postmarked after 5:00
P.M. May 1, 2009 (ARS 42-18052 and ARS
42-18053).

DETACH AND RETURN WITH PAYMENT

Make check payable to:
Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

Payment in U.S. FUNDS ONLY

TO PAY 2ND HALF PAY 2,357.89

If your mortgage company makes your property
tax payments consider this notice as a courtesy
copy for your records only.



029180027100300000235789

Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

987552000008057140000002 2 000 9180027103 8008

WATER COMPANY, LLC

Marsha Bonham, Cochise County Treasurer

3509

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
3/27/2009	Bill	918-02-373	1,878.55	1,878.55		1,878.55
				Check Amount		1,878.55

4/8/2009

Wells Fargo Bank

1,878.55

PRODUCT DLT103 USE WITH 91863 ENVELOPE MCBEE To Reorder: 1-800-662-2331 or www.mcbeeinc.com

PRINTED IN USA

A

WATER COMPANY, LLC

2282

Marsha Bonham, Cochise County Treasurer

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
9/29/2008	Bill	Property Tax 08	264.29	264.29		264.29
9/29/2008	Bill	Property Tax 08	2,357.89	2,357.89		2,357.89
9/29/2008	Bill	Property Tax 08	306.09	306.09		306.09
9/29/2008	Bill	Property Tax 08	1,878.55	1,878.55		1,878.55
				Check Amount		4,806.82

10/2/2008

Bank of America

4,806.82

PRODUCT DLT103 USE WITH 9379 ENVELOPE MCBEE To Reorder: 1-800-662-2331 or www.mcbeeinc.com

PRINTED IN USA

A

Make your check payable to and
 Marsha Bonham
 Cochise County Treasurer
 PO Box 1778
 Bisbee AZ 85603-2778

NACO WATER CO
SALIM S DOMINGUEZ JR
P.O. BOX 85160
TUCSON AZ 85754-5160

PAGE 0001 OF 0004 00064661

918-00-200 7 0055071 01 AT 0.346 **AUTO T1 0 0786 85754-5:16060

PAYMENT INSTRUCTIONS

To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than Nov. 3, 2008. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2009. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2008 and no interest will be charged for current year.

528.58

623.16

TOTALS

THIS IS A
CALENDAR YEAR
TAX NOTICE

Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

This is the only notice you will receive

02000	COCHISE COUNTY
07002	BISBEE SD #2
08150	COCHISE COUNTY JUNIO
11900	FIRE DISTRICT ASSIST
14900	COCHISE COUNTY LIBRA
15000	COCHISE COUNTY FCD #

154.08
362.72
93.72
4.66
7.80
0.18

139.96
289.80
86.84
4.22
7.59
0.17

2008
TAXES2007
TAXES

JURISDICTION

422.50
0.00
422.50
106.08
0.00
528.58

PRIMARY PROPERTY TAX	1.0000
LESS STATE AID TO EDUCATION	(0.0000)
NET PRIMARY PROPERTY TAX	1.0000
SECONDARY PROPERTY TAX	0.0000
SPECIAL DISTRICT TAX	0.0000
TOTAL TAX DUE FOR 2008	1.0000

LINE	EXEMPTIONS	TAX RATE	TAX
7	0	0.0782	5.42
3	0	0.0782	417.08
0	0		422.50
0	0	2.2545	0.00
7	0	2.2545	1.54
0	0	2.0248	104.54
0	0		106.08

	VALUE IN DOLLARS	ASST %	ASSESSED VAL
0700	22,447	23.0	5,168
0701	22,737	23.0	5,239
0702	22,447	23.0	5,168
0703	22,737	23.0	5,239
0704	22,447	23.0	5,168
0705	22,737	23.0	5,239
0706	22,447	23.0	5,168
0707	22,737	23.0	5,239
0708	22,447	23.0	5,168
0709	22,737	23.0	5,239
0710	22,447	23.0	5,168
0711	22,737	23.0	5,239
0712	22,447	23.0	5,168
0713	22,737	23.0	5,239
0714	22,447	23.0	5,168
0715	22,737	23.0	5,239
0716	22,447	23.0	5,168
0717	22,737	23.0	5,239
0718	22,447	23.0	5,168
0719	22,737	23.0	5,239
0720	22,447	23.0	5,168
0721	22,737	23.0	5,239
0722	22,447	23.0	5,168
0723	22,737	23.0	5,239
0724	22,447	23.0	5,168
0725	22,737	23.0	5,239
0726	22,447	23.0	5,168
0727	22,737	23.0	5,239
0728	22,447	23.0	5,168
0729	22,737	23.0	5,239
0730	22,447	23.0	5,168
0731	22,737	23.0	5,239
0732	22,447	23.0	5,168
0733	22,737	23.0	5,239
0734	22,447	23.0	5,168
0735	22,737	23.0	5,239
0736	22,447	23.0	5,168
0737	22,737	23.0	5,239
0738	22,447	23.0	5,168
0739	22,737	23.0	5,239
0740	22,447	23.0	5,168
0741	22,737	23.0	5,239
0742	22,447	23.0	5,168
0743	22,737	23.0	5,239
0744	22,447	23.0	5,168
0745	22,737	23.0	5,239
0746	22,447	23.0	5,168
0747	22,737	23.0	5,239
0748	22,447	23.0	5,168
0749	22,737	23.0	5,239
0750	22,447	23.0	5,168
0751	22,737	23.0	5,239
0752	22,447	23.0	5,168
0753	22,737	23.0	5,239
0754	22,447	23.0	5,168
0755	22,737	23.0	5,239
0756	22,447	23.0	5,168
0757	22,737	23.0	5,239
0758	22,447	23.0	5,168
0759	22,737	23.0	5,239
0760	22,447	23.0	5,168
0761	22,737	23.0	5,239
0762	22,447	23.0	5,168
0763	22,737	23.0	5,239
0764	22,447	23.0	5,168
0765	22,737	23.0	5,239
0766	22,447	23.0	5,168
0767	22,737	23.0	5,239
0768	22,447	23.0	5,168
0769	22,737	23.0	5,239
0770	22,447	23.0	5,168
0771	22,737	23.0	5,239
0772	22,447	23.0	5,168
0773	22,737	23.0	5,239
0774	22,447	23.0	5,168
0775	22,737	23.0	5,239
0776	22,447	23.0	5,168
0777	22,737	23.0	5,239
0778	22,447	23.0	5,168
0779	22,737	23.0	5,239
0780	22,447	23.0	5,168
0781	22,737	23.0	5,239
0782	22,447	23.0	5,168
0783	22,737	23.0	5,239
0784	22,447	23.0	5,168
0785	22,737	23.0	5,239
0786	22,447	23.0	5,168
0787	22,737	23.0	5,239
0788	22,447	23.0	5,168
0789	22,737	23.0	5,239

LIMITED LAND, BLDGS. ETC
 LIMITED PERSONAL PROPERTY
 LIMITED TOTALS
 FULL CASH LAND
 FULL CASH BUILDINGS, ETC
 FULL CASH PERSONAL PROPERTY
 FULL CASH TOTALS

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
918-00-200 2	0200	8.2028%	0.00%	

2008 PROPERTY TAX NOTICE

2008 SECOND HALF PAYMENT COUPON

DETACH AND RETURN WITH PAYMENT

Make check payable to:
Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

Payment in U.S. FUNDS ONLY

Due March 1, 2009
NACO WATER CO

Parcel Number: 918-00-200 7 Roll Number: 0121234

Delinquency Date Second Half Payment
Penalty for late payment is 16% per year
prorated monthly as of the 1st day of the
month for payments postmarked after **5:00**
P.M. May 1, 2009 (ARS 42-18052 and ARS
42-18053).

If your mortgage company makes your property tax payments consider this notice as a courtesy copy for your records only.



029180020000700000026429

Marsha Bonham
Cochise County Treasurer
PO Box 1778
Bisbee AZ 85603-2778

2008 9180020007 2 00000005285800000026429

HOLM, HESTAND & VALENZUELA, CPAs, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
3131 NORTH COUNTRY CLUB ROAD, SUITE 109
TUCSON, ARIZONA 85716

DOUGLAS R. HOLM, CPA
EMMA K. HESTAND, CPA
JANETTE G. VALENZUELA, CPA

TELEPHONE: (520) 326-8483
FAX: (520) 795-5191
E-MAIL: HHVCPA@EARTHLINK.NET

We have compiled the balance sheets of Naco Water Company, LLC as of December 31, 2009 and 2008, and the related comparative statements of income and expense for the years then ended, included in the accompanying prescribed form in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission--Utilities Division information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above, and accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Arizona Corporation Commission--Utilities Division, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Holm, Hestand, Valenzuela CPAs P.C.

March 25, 2010